

BEFORE THE PUBLIC UTILITY COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of )  
HAWAIIAN ELECTRIC COMPANY, INC. for )  
Approval of Rate Increases and Revised Rate )  
Schedules and Rules, and for Approval and/or )  
Modification of Demand-Side and Load )  
Management Programs and Recovery of )  
Program Costs and DSM Utility Incentives )  
\_\_\_\_\_ )

DOCKET NO. 04-0113

MOTION TO INTERVENE OF  
ROCKY MOUNTAIN INSTITUTE

&

CERTIFICATE OF SERVICE

E. KYLE DATTA  
Managing Director of Research and Consulting  
Rocky Mountain Institute  
P.O. Box 390303  
Keauhou, HI 96739  
Telephone (808) 329- 4360

PUBLIC UTILITIES  
COMMISSION

2004 DEC -8 A 10:53

FILED

BEFORE THE PUBLIC UTILITY COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of	)	DOCKET NO. 04-0113
	)	
HAWAIIAN ELECTRIC COMPANY, INC. for	)	
	)	
Approval of Rate Increases and Revised Rate	)	
Schedules and Rules, and for Approval and/or	)	
Modification of Demand-Side and Load	)	
Management Programs and Recovery of	)	
Program Costs and DSM Utility Incentives	)	
	)	

MOTION TO INTERVENE OF  
ROCKY MOUNTAIN INSTITUTE

TO THE HONORABLE PUBLIC UTILITY COMMISSION  
OF THE STATE OF HAWAII

Comes now Movant E. KYLE DATTA ("Movant") on behalf of Rocky Mountain Institute ("RMI") and hereby respectfully move this Honorable Public Utilities Commission of the State of Hawaii (the "Commission") to intervene in the above captioned proceeding. This motion is brought pursuant to Title 6 Chapter 61 Subchapter 4 of the Rules of Practice and Procedure before the Public Utilities Commission ("PUC Rules"). In support of their Motion to Intervene, Movant states as follows:

1. Correspondence. All communication concerning this Application is to be addressed to:  
Kyle Datta  
Rocky Mountain Institute  
P.O. Box 390303  
Keauhou, HI 96739  
808-329-4360
2. Movant. Movant name and business address and/or residence address is as follows:  
Kyle Datta  
Rocky Mountain Institute  
P.O. Box 390303  
Keauhou, HI 96739  
808-329-4360
3. Nature of Proceeding. Hawaiian Electric Company, Inc. ("HECO") requests Commission approval of rate increases and revised rate schedules and rules, and for approval and/or modification of demand-side and load management programs and recovery of program costs and DSM utility incentives.
4. Compliance with Applicable Rules. Section 6-61-55 of the PUC Rules requires that the Movants satisfy a nine (9) point criteria for granting the requested intervention. Paragraphs 5 through 13, *infra*, set forth those nine points, in the sequence suggested in Section 6-61-44, PUC Rules.
5. Nature of Movant's Right to Participate. By opening this Docket, the Commission has invited all interested electric service providers, organizations, business groups and community groups to participate in this docket as interveners or participants. Rocky Mountain Institute ("RMI"), a 501(c)(3) nonprofit organization that has been recognized as one of the world's foremost authorities on energy use, supply, policy and regulation. Its staff includes preeminent experts on energy-efficient techniques, technologies, programs and regulations, energy industry structure, resource planning, technology commercialization, and competitive strategy for companies in the electric power, natural gas, and other

regulated industries. RMI's energy consulting services include efficiency optimization that focus on DSM technologies, business models, and regulation strategies. RMI works for both the public and private sector and is viewed by both as neutral and objective. Accordingly, RMI has a substantial and continuing interest in the subject of ratemaking, energy efficiency and social equity in the electric utility sector.

In the 23 years since RMI's inception, we have participated in numerous PUC hearings across the country, including National Association of Regulatory Utility Commission, and in other regulatory forums including, but not limited to, California, New Hampshire, New York, Connecticut, Maine, Arkansas, Illinois, Washington, and Oregon. Kyle Datta was recently a participant in the Hawaii Public Utility Commission's Act 95 Workshop.

RMI is defined as an organization by HAR §6-61-2.<sup>1</sup> RMI has filed a timely Motion to Intervene as specified under HAR §6-61-57.<sup>2</sup> In this case, HECO filed their application on November 12, 2004. The PUC hearing is scheduled for January 12, 2005. The public has ten days, until January 24, 2005 to file. RMI has complied by filing this Motion by Monday, December 6, 2004. Kyle Datta, Managing Director of Research and Consulting, will appear on behalf of RMI in accordance with HAR §6-61-12.<sup>3</sup> RMI requests that our Motion to Intervene be decided at a hearing, as set forth in HAR §6-61-41.<sup>4</sup>

6. The nature and extent of the applicant's property, financial and other interest in the pending matter. Movant has deep expertise in energy efficiency and utility regulation. As a non-profit organization, our mission is to apply our expertise to make society more resource efficient, prosperous, and sustainable. Historically, RMI has been deeply involved in the development of regulations and utility programs for efficiency, renewables, and distributed generation, and participated in many proceedings either independently or as witness for others. RMI has a nationwide contribution base, including Hawaii, and has a branch office in the state. It is fundamental to the mission of our organization to provide our expertise to proceedings such as this, particularly because of the large amount of energy efficiency programs and the new regulatory treatment for DSM proposed in HECO's current filing. Further, RMI has a major national interest in reducing US dependency on fossil fuels and the impact of fossil fuels on climate change. This interest is amplified in this docket because Hawaii is the most oil dependant state in the country, due in part to its dependence on oil for power production. Energy efficiency is the least cost method for reducing this dependency, and RMI has actively been involved in policy initiatives within Hawaii regarding implementation approaches. Therefore, we are concerned about the proposed rate increases, energy efficiency DSM program and other interests implicated in this docket.

7. The effect of the pending order as to the applicant's interest. This rate case will define the regulatory treatment of demand side management programs in the state of Hawaii, since the prior regulatory regime for DSM has been terminated with this filing. The regulatory treatment in turn will determine the utility's interest and support of DSM programs, which will underlie the degree of implementation or lack thereof. Therefore, RMI has a mission-critical interest in ensuring that the

---

<sup>1</sup> HAR §6-61-2 Definitions: "'Person' means and includes individuals, partnerships, corporations, associations, joint stock companies, public trusts, organized groups or persons, whether incorporated or not, receivers or trustees of the foregoing, municipalities, including cities, counties or other political subdivisions of the State, or any agency, authority or instrumentality of the State or of any or more of the foregoing."

<sup>2</sup>HAR §6-61-57 "Time to file. A motion to intervene or participate, to be timely, shall be filed and served as follows: (3) A motion to intervene or participate shall be served on all parties and the consumer advocate and filed, in the proceedings other than those specified in paragraphs (1) or (2) not later than: (A) Twenty days after an application is filed."

<sup>3</sup> HAR §6-61-12 "Appearance before the commission. (a) Any party to a proceeding before the commission may appear in person or may be represented by a partner or by an officer or authorized employee of a corporation, trust or association."

<sup>4</sup> HAR §6-61-41 Motions. "(b) Every motion, except one entitled to be heard ex parte, shall indicate whether a hearing is requested on the motion. If a motion requires the consideration of facts not appearing on the record, it shall be supported by affidavit or affidavits. Motions shall be served in accordance with section 6-61-21...(f) If a hearing is requested, the movant shall obtain a date and time for hearing on the motion from the chief clerk."

appropriate regulatory treatment of demand side management programs has been addressed in this proceeding, and we believe our involvement is in the best interests of the all the involved parties.

8. The other means available whereby the applicant's interest may be protected. None.

9. The extent to which the applicant's interest will not be represented by existing parties. The existing parties include HECO and the Division of the Consumer Advocacy. The utility cannot adequately represent the interests of RMI. The Division of Consumer Advocacy will not necessarily represent RMI's overriding interest in reducing fossil fuel dependency and ensuring regulatory treatment of DSM that aligns the utility's financial interest with the path that represents the least cost to society.

10. The extent to which the applicant's participation can assist in the development of a sound record. The resources and expertise that RMI brings to this docket will help to create a record that will allow the Commission to make a well reasoned decision.

11. The extent to which the applicant's participation will broaden the issues or delay the proceeding. None.

12. The extent to which the applicant's interest in the proceeding differs from that of the general public. The general public has an overall interest in reducing their rates and bills. RMI share these interests, but in addition, have a mission critical interest in reducing fossil fuel dependency and ensuring appropriate regulatory treatment of demand side, renewable, and distributed resources. See #2 above.

13. Whether the applicant's position is in support of or in opposition to the relief sought. In principle, RMI supports energy efficiency and load management DSM programs proposed by the utility in its filing. Energy efficiency DSM has the potential to help reduce our dependence on imported fossil energy and protect the environment. Load management can provide much needed capacity to avoid reliability problems on Oahu. RMI believes that the proposed regulatory treatment of these investments, while reasonable, could be modified to provide greater economic efficiency to society, and better alignment of society's interests with the utility's financial incentives. RMI believes that DSM should be implemented in an innovative and competitive manner to provided reliable power to customers at the lowest possible cost. RMI believes that time is of the essence in the proceeding, and that the Commission should make every effort to accelerate its decision in order to avoid potential power disruptions.

14. Conclusion. Based on the foregoing, Movant respectfully requests the Commission to grant Movant's Motion to Intervene.

Dated: December 6, 2004, Kailua-Kona, Hawaii

---

BEFORE THE PUBLIC UTILITY COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of	)	DOCKET NO. 04-0113
	)	
HAWAIIAN ELECTRIC COMPANY, INC. for	)	
	)	
Approval of Rate Increases and Revised Rate	)	
Schedules and Rules, and for Approval and/or	)	
Modification of Demand-Side and Load	)	
Management Programs and Recovery of	)	
Program Costs and DSM Utility Incentives	)	
	)	

CERTIFICATE OF SERVICE

I hereby certify that the original and eight copies of the Motion to Intervene of Rocky Mountain Institute and two more copies of the same were, respectively, duly served on December 6, 2004 by mail, postage prepaid, and properly addressed to the following:

Carlito Caliboso, Chair  
Public Utilities Commission  
465 S. King St. Suite 103  
Honolulu, HI 96813

Acting Executive Director, John E. Cole  
Department of Commerce and Consumer Affairs  
Division of Consumer Advocacy  
335 Merchant Street  
Room 326  
Honolulu, HI 96813


I hereby further certify that copies of said Motion to Intervene were duly served on December 6, 2004 by mail, postage prepaid, one copy of the same addressed to each of the following:

Thomas W. Williams, Jr., Esq.  
Peter Y. Kikuta., Esq.  
Goodsill Anderson Quinn & Stifel  
Hawaiian Electric Company  
Alii Place, Suite 1800  
1099 Alakea Street  
Honolulu, HI 96813

William A. Bonnet  
Vice-President, Governmental and Community Affairs  
Hawaiian Electric Company Inc  
P.O. Box 2750  
Honolulu, HI 96840-0001

Patsy Nananbu  
Director – Regulatory Affairs  
Hawaiian Electric Company  
P.O. Box 2750  
Honolulu, HI 96840-0001

DATED: Kailua-Kona, HI, December 6, 2004



---

E. Kyle Datta